Decrease in exports of Textiles, Handicrafts

2309. SHRI RAHUL BAJAJ:
SHRI RAJKUMAR DHOOT:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that as per the Annual Report of Department of Commerce pgs.12-14, the rate of growth of exports of Textiles and Handicrafts, Gems and Jewellery, Leather and Minerals during 2006-07 was less than half of the overall export growth;

(b) if so, the reasons therefor; and

(c) the status during 2007-08 and what remedial action is planned to encourage more exports?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) Yes, Sir.

(b) One of the reasons for the lower export growth of sectors such as Textiles, Handicrafts, Leather, etc. is the relatively less buoyant demand for these products . in the international market.

(c) During the current year exports of the above mentioned sectors have been adversely effected on account of a sharp appreciation of the Indian rupee *viz-a-viz* the US dollar. Most of these sectors also have low import intensity as a result of which they have been unable to benefit from the lower price of imported inputs with a depreciating value of the US dollar. In view of this the Government has announced a relief package comprising enhanced Duty Entitlement Passbook (DEPB) rates, reduction in Export Credit Guarantee Corporation (ECGC) premium, release of Rs.600 crore for clearing all arrears of terminal excise duty and Central Sales tax reimbursement, enhancement of duty drawback rates and reduction in interest rates on pre and post shipment credit.

Potential export boom of Indian services

2310. SHRIMATI MOHSINA KIDWAI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government are aware of the survey conducted by FICCI projecting Slibillion export of Indian services by 2012; and

(b) if so, what well co-ordinated efforts have been planned by Commerce and Industry Ministry, to tap this potential export boom, as it needs us to press for more liberal market access within the multilateral, bilateral and regional trade agreements with ASEAN, Japan, Korea, EU etc.?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) Yes, Sir.